6.   (Amended)   A method for using one or more computers to electronically clear and cash a check submitted to an on-line merchant from an on-line consumer by electronic means comprising the steps of:

accepting an input of check information submitted by consumer;

verifying the accuracy of the check information;

comparing the routing number to a database to determine if the paper routing number provided by the consumer matches the electronic routing number needed to process the on-line transaction;

presenting the check information for clearing through the Federal Reserve's Automated Clearing House;

debiting the consumer's checking account from which the check was drawing in an amount indicated in the check information; and

crediting the merchant's account in the amount indicated in the check information.

19.   (Amended)   A method for using one or more computers to electronically clear and cash a check submitted to an on-line merchant from an on-line consumer by electronic means comprising the steps of:

accepting an input of check information submitted by consumer;

verifying the accuracy of the check information;

presenting the check information for clearing through the Federal Reserve's Automated Clearing House;

debiting the consumers checking account from which the check was drawing in an amount indicated in the check information;

crediting the merchant's account in the amount indicated in the check information,

wherein if the check is returned by the Automated Clearing House, an additional processing step is conducted comprising determining the reason why the check was returned,

wherein if the reason for the return is that the consumer's checking account has insufficient funds or uncollected funds, additional processing is performed comprising:

presenting the check information to the Automated Clearing House for a second presentment; and

notifying the merchant that the check was returned when it was first presented,

wherein if the check is returned by the Automated Clearing House after the second presentment, additional processing is conducted comprising the steps of:

determining why the check was returned;

notifying the merchant that the check was returned after the second presentment;

debiting the merchant's account by the amount indicated in the check information; and

refunding to the merchant's account one or more processing fees paid by the merchant.

21.   (Amended)   A method for using one or more computers to electronically clear and cash a check submitted to an on-line merchant from an on-line consumer by electronic means comprising the steps of:

accepting an input of check information submitted by consumer;

verifying the accuracy of the check information;

presenting the check information for clearing through the Federal Reserve's Automated Clearing House;

debiting the consumers checking account from which the check was drawing in an amount indicated in the check information; and

crediting the merchant's account in the amount indicated in the check information;

wherein if the check is returned by the Automated Clearing House, an additional processing step is conducted comprising determining the reason why the check was returned,

wherein if the reason for the return is that the consumer's checking account has insufficient funds or uncollected funds, additional processing is performed comprising:

presenting the check information to the Automated Clearing House for a second presentment; and

notifying the merchant that the check was returned when it was first presented,

wherein if the check is returned by the Automated Clearing House after the second presentment, additional processing is conducted comprising the steps of:

determining why the check was returned;

notifying the merchant that the check was returned after the second presentment; and

debiting the merchant's account by the amount indicated in the check information,

wherein if the reason for the second return is that the consumer's checking account has insufficient funds or uncollected funds, additional processing is performed comprising:

during a predetermined time period, attempting to verify whether the consumer's account has funds available; and

presenting the check information to the Automated Clearing House for a third presentment either when the predetermined time period has expired or when the consumer's account has funds available, whichever occurs first,

wherein the predetermined time period is between about thirty and sixty days.

25.   (Amended)   A method for using one or more computers to electronically clear and cash a check submitted to an on-line merchant from an on-line consumer by electronic means comprising the steps of:

accepting an input of check information submitted by consumer;

verifying the accuracy of the check information;

presenting the check information for clearing through the Federal Reserve's Automated Clearing House;

debiting the consumers checking account from which the check was drawing in an amount indicated in the check information;

refunding to the merchant's account one or more processing fees paid by the merchant; and

crediting the merchant's account in the amount indicated in the check information,

wherein if the check is returned by the Automated Clearing House, an additional processing step is conducted comprising determining the reason why the check was returned,

wherein if the reason for the return is that the consumer's checking account has insufficient funds or uncollected funds, additional processing is performed comprising:

presenting the check information to the Automated Clearing House for a second presentment; and

notifying the merchant that the check was returned when it was first presented,

wherein if the check is returned by the Automated Clearing House after the second presentment, additional processing is conducted comprising the steps of:

determining why the check was returned;

notifying the merchant that the check was returned after the second presentment; and

debiting the merchant's account by the amount indicated in the check information,

wherein if the reason for the second return is that the consumer's checking account has insufficient funds or uncollected funds, additional processing is performed comprising:

during a predetermined time period, attempting to verify whether the consumer's account has funds available; and

presenting the check information to the Automated Clearing House for a third presentment either when the predetermined time period has expired or when the consumer's account has funds available, whichever occurs first.

wherein if the check is returned by the Automated Clearing House after the third presentment, additional processing is conducted comprising the steps of:

notifying the merchant that the check was returned after the third presentment; and

debiting the merchant's account by the amount indicated in the check information.

29.   (Amended)   An apparatus comprising one or more computers capable of executing one or more programs to electronically clear and cash a check submitted to an on-line merchant from an on-line consumer by electronic means by carrying out the following steps:

accepting an input of check information submitted by a consumer;

verifying the accuracy of the check information;

verifying the check information to ensure that the bank routing number submitted by the consumer is valid and correct,

if the routing number provided by the consumer is a correct paper routing number, but not a correct electronic routing number, the check information is modified to substitute the correct electronic routing number for the paper routing number provided by the consumer;

presenting the check information for clearing through the Federal Reserve's Automated Clearing House;

debiting the consumer's checking account from which the check was drawn in an amount indicated in the check information; and

crediting the merchant's account in the amount indicated in the check information.

37.   (Amended)   An apparatus comprising one or more computers capable of executing one or more programs to electronically clear and cash a check submitted to an on-line merchant from an on-line consumer by electronic means by carrying out the following steps:

accepting an input of check information submitted by a consumer;

verifying the accuracy of the check information;

presenting the check information for clearing through the Federal Reserve's Automated Clearing House;

debiting the consumer's checking account from which the check was drawn in an amount indicated in the check information;

refunding to the merchant's account one or more processing fees paid by the merchant; and

crediting the merchant's account in the amount indicated in the check information,

if the check is returned by the Automated Clearing House, additional processing is conducted to determine the reason why the check was returned,

if the reason for the return is that the consumer's checking account has insufficient funds or uncollected funds, the apparatus forms additional processing comprising:

presenting the check information to the Automated Clearing House for a second presentment; and

notifying the merchant that the check was returned when it was first presented,

if the check is returned by the Automated Clearing House after the second presentment, the apparatus performs additional processing comprising the steps of:

determining why the check was returned;

notifying the merchant that the check was returned after the second presentment; and

debiting the merchant's account by the amount indicated in the check information.

39.   (Amended)   An apparatus comprising one or more computers capable of executing one or more programs to electronically clear and cash a check submitted to an on-line merchant from an on-line consumer by electronic means by carrying out the following steps:

accepting an input of check information submitted by a consumer;

verifying the accuracy of the check information;

presenting the check information for clearing through the Federal Reserve's Automated Clearing House;

debiting the consumer's checking account from which the check was drawn in an amount indicated in the check information; and

crediting the merchant's account in the amount indicated in the check information,

if the check is returned by the Automated Clearing House, additional processing is conducted to determine the reason why the check was returned,

if the reason for the return is that the consumer's checking account has insufficient funds or uncollected funds, the apparatus forms additional processing comprising:

presenting the check information to the Automated Clearing House for a second presentment; and

notifying the merchant that the check was returned when it was first presented,

if the check is returned by the Automated Clearing House after the second presentment, the apparatus performs additional processing comprising the steps of:

determining why the check was returned;

notifying the merchant that the check was returned after the second presentment; and

debiting the merchant's account by the amount indicated in the check information,

if the reason for the second return is that the consumers checking account has insufficient funds or uncollected funds, the apparatus performs additional processing comprising:

during a predetermined time period, attempting to verify whether the consumer's account has funds available; and

presenting the check information to the Automated Clearing House for a third presentment either when the predetermined time period has expired or when the consumer's account has funds available, whichever occurs first,

wherein the predetermined time period if between about thirty and sixty days.

43.   (Amended)   An apparatus comprising one or more computers capable of executing one or more programs to electronically clear and cash a check submitted to an on-line merchant from an on-line consumer by electronic means by carrying out the following steps:

accepting an input of check information submitted by a consumer;

verifying the accuracy of the check information;

presenting the check information for clearing through the Federal Reserve's Automated Clearing House;

debiting the consumer's checking account from which the check was drawn in an amount indicated in the check information; and

crediting the merchant's account in the amount indicated in the check information,

if the check is returned by the Automated Clearing House, additional processing is conducted to determine the reason why the check was returned,

if the reason for the return is that the consumer's checking account has insufficient funds or uncollected funds, the apparatus forms additional processing comprising:

presenting the check information to the Automated Clearing House for a second presentment; and

notifying the merchant that the check was returned when it was first presented,

if the check is returned by the Automated Clearing House after the second presentment, the apparatus performs additional processing comprising the steps of:

determining why the check was returned;

notifying the merchant that the check was returned after the second presentment; and

debiting the merchant's account by the amount indicated in the check information,

if the reason for the second return is that the consumers checking account has insufficient funds or uncollected funds, the apparatus performs additional processing comprising:

during a predetermined time period, attempting to verify whether the consumer's account has funds available; and

presenting the check information to the Automated Clearing House for a third presentment either when the predetermined time period has expired or when the consumer's account has funds available, whichever occurs first,

wherein the predetermined time period if between about thirty and sixty days,

wherein the on-line merchant can access the one or more computers to obtain information regarding the status of one or more checks which the merchant has submitted,

wherein the merchant can determine whether or not a processing fee has been charged and the dollar amount of any such charge.

44.   (Amended)   An apparatus comprising one or more computers capable of executing one or more programs to electronically clear and cash a check submitted to an on-line merchant from an on-line consumer by electronic means by carrying out the following steps:

accepting an input of check information submitted by a consumer;

verifying the accuracy of the check information;

presenting the check information for clearing through the Federal Reserve's Automated Clearing House;

debiting the consumer's checking account from which the check was drawn in an amount indicated in the check information; and

crediting the merchant's account in the amount indicated in the check information,

if the check is returned by the Automated Clearing House, additional processing is conducted to determine the reason why the check was returned,

if the reason for the return is that the consumer's checking account has insufficient funds or uncollected funds, the apparatus forms additional processing comprising:

presenting the check information to the Automated Clearing House for a second presentment; and

notifying the merchant that the check was returned when it was first presented,

if the check is returned by the Automated Clearing House after the second presentment, the apparatus performs additional processing comprising the steps of:

determining why the check was returned;

notifying the merchant that the check was returned after the second presentment; and

debiting the merchant's account by the amount indicated in the check information,

if the reason for the second return is that the consumers checking account has insufficient funds or uncollected funds, the apparatus performs additional processing comprising:

during a predetermined time period, attempting to verify whether the consumer's account has funds available; and

presenting the check information to the Automated Clearing House for a third presentment either when the predetermined time period has expired or when the consumer's account has funds available, whichever occurs first,

wherein the predetermined time period if between about thirty and sixty days,

wherein the on-line merchant can access the one or more computers to obtain information regarding the status of one or more checks which the merchant has submitted,

wherein the merchant can obtain a history of the processing of a check submitted to the on-line check cashing system.

48.   (Amended)   An article of manufacture comprising a computer program carrier readable by a computer and embodying one or more instructions executable by the computer to perform method steps for electronically clearing and cashing a check submitted to an on-line merchant from an on-line consumer by electronic means, the method comprising the steps of:

accepting the input of check information submitted by a consumer;

verifying the accuracy of the check information;

evaluating the consumer's check writing history by accessing a database of bad check writers;

verifying the check information to ensure that the bank routing number submitted by the consumer is valid and correct,

wherein if the routing number provided by the consumer is a correct paper routing number, but not a correct electronic routing number, an additional step of modifying the check information to substitute the correct electronic routing number for the paper routing number provided by the consumer is performed;

presenting the check information for clearing through the Federal Reserves' Automated Clearing House;

debiting the consumer's checking account from which the check was drawn in an amount indicated in the check information; and

crediting the merchant's account in the amount indicated in the check information.

49.   (Amended) An article of manufacture comprising a computer program carrier readable by a computer and embodying one or more instructions executable by the computer to perform method steps for electronically clearing and cashing a check submitted to an on-line merchant from an on-line consumer by electronic means, the method comprising the steps of:

accepting the input of check information submitted by a consumer;

verifying the accuracy of the check information;

presenting the check information for clearing through the Federal Reserves' Automated Clearing House;

debiting the consumer's checking account from which the check was drawn in an amount indicated in the check information; and

crediting the merchant's account in the amount indicated in the check information,

wherein if the check is returned by the Automated Clearinghouse, additional processing is conducted comprising the step of determining the reason why the check was returned.